

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 225
Fowler, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 225 and its related municipal entity, the Fowler Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2019, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, schedule of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts and expenditures – actual and budget for the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated September 5, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration, at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2019 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole, for the year ended June 30, 2018, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

April 8, 2020

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2019

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>
General funds:		
General	\$ -	\$ -
Supplemental general	42,017	765
Total general funds	42,017	765
Special purpose funds:		
At-risk (4-year-old)	11,132	-
Driver training	10,456	-
At-risk (K-12)	20,587	-
Bilingual	6,310	-
Capital outlay	513,853	-
Special education	42,862	-
Food service	37,799	-
Career and postsecondary education	-	-
KPERS special retirement contributions	-	-
Recreation commission	5,088	-
21st century community learning	16,892	-
Gifts and grants	3,058	-
Title I	-	-
Title IIA teacher quality	-	-
Title IV safe & drug free	-	-
REAP	-	-
Contingency reserve	209,519	-
Textbook and student material	710	-
District activity funds	8,240	-
Total special purpose funds	886,506	-
Bond and interest fund:		
Bond and interest	180,777	-
Total Unified School District No. 225	1,109,300	765
Related municipal entity:		
Fowler Recreation Commission:		
General	32,488	-
Total municipal financial reporting entity (excluding agency funds)	\$ 1,141,788	\$ 765

Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 1,442,865	\$ 1,442,257	\$ 608	\$ -	\$ 608
524,843	519,526	48,099	7,577	55,676
<u>1,967,708</u>	<u>1,961,783</u>	<u>48,707</u>	<u>7,577</u>	<u>56,284</u>
22,900	21,230	12,802	-	12,802
-	-	10,456	-	10,456
200,000	179,095	41,492	-	41,492
11,000	11,662	5,648	-	5,648
154,078	184,816	483,115	19,170	502,285
121,818	127,435	37,245	88,119	125,364
159,263	155,790	41,272	10	41,282
12,647	8,708	3,939	-	3,939
120,068	120,068	-	-	-
36,537	34,000	7,625	-	7,625
70,161	70,605	16,448	271	16,719
13,381	9,052	7,387	-	7,387
19,205	19,205	-	-	-
3,588	3,588	-	-	-
10,864	10,864	-	-	-
24,773	29,823	(5,050)	-	(5,050)
-	-	209,519	-	209,519
2,933	1,978	1,665	-	1,665
55,882	54,418	9,704	-	9,704
<u>1,039,098</u>	<u>1,042,337</u>	<u>883,267</u>	<u>107,570</u>	<u>990,837</u>
<u>161,666</u>	<u>130,890</u>	<u>211,553</u>	<u>-</u>	<u>211,553</u>
3,168,472	3,135,010	1,143,527	115,147	1,258,674
<u>34,800</u>	<u>27,254</u>	<u>40,034</u>	<u>-</u>	<u>40,034</u>
<u>\$ 3,203,272</u>	<u>\$ 3,162,264</u>	<u>\$ 1,183,561</u>	<u>\$ 115,147</u>	<u>\$ 1,298,708</u>

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2019

	<u>Ending cash balance</u>
Composition of cash balance:	
Super Now account	\$ 1,189,003
Certificates of deposit	100,000
High School account	7,707
Elementary account	<u>11,077</u>
Total cash	1,307,787
Agency funds	<u>(9,079)</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 1,298,708</u></u>

The notes to the financial statement are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2019

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 225 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 225 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Fowler Recreation Commission. The Commission oversees recreational activities. Four of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2019.

REGULATORY BASIS FUND TYPES

General funds – the chief operating funds. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources (including tax levies and transfers from other funds) and payment of general long-term debt.

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (i.e. student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. The following budgets were amended in the current year:

<u>Fund</u>	<u>Original budget</u>	<u>Amended budget</u>
General Fund	\$ 1,430,261	\$ 1,485,656
Bilingual Fund	6,933	11,662

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for state and federal grant funds, capital project funds, agency funds and the following special purpose funds:

Gifts and Grants	Textbook and Student Material
Contingency Reserve	District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. In-Substance Receipt in Transit

The District received \$94,638 subsequent to June 30, 2019 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

K.S.A. 10-130 requires that municipalities remit payments for any bonds or interest to the state fiscal agent at least twenty days before the date of maturity. The general obligation bond payments were not made in accordance with this statute.

K.S.A 79-2935 prohibits expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Expenditures exceeded the adopted budget of the Capital Outlay fund by \$184,816 and the Food Service Fund by \$65,750.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the REAP Fund overspent its cash balance, according to K.S.A. 12-1664, the District is not prohibited from financing the federal share of a local program from current funds, if available.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk – deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$1,307,787 and the bank balance was \$1,357,555. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,107,555 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

D. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2019 were as follows:

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
General obligation bonds:					
School building bonds – Series 2009					
Issued January 1, 2009					
In the amount of \$1,940,000					
At interest rate of 3.60 to 4.45%					
Maturing September 1, 2029					
	\$ 175,000	\$ -	\$ 85,000	\$ 90,000	\$ 4,940
Refunding bonds – Series 2016					
Issued November 1, 2016					
In the amount of \$1,385,000					
At interest rate of 2.00-3.00%					
Maturing September 1, 2029					
	<u>1,365,000</u>	<u>-</u>	<u>-</u>	<u>1,365,000</u>	<u>40,950</u>
Total general obligation bonds	<u>\$ 1,540,000</u>	<u>\$ -</u>	<u>\$ 85,000</u>	<u>\$ 1,455,000</u>	<u>\$ 45,890</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	Principal due	Interest due	Total due
2020	\$ 90,000	\$ 42,570	\$ 132,570
2021	110,000	39,300	149,300
2022	115,000	35,925	150,925
2023	120,000	32,400	152,400
2024	125,000	28,725	153,725
2025-2029	730,000	81,600	811,600
2030	<u>165,000</u>	<u>2,475</u>	<u>167,475</u>
Total	<u>\$ 1,455,000</u>	<u>\$ 262,995</u>	<u>\$ 1,717,995</u>

E. DEFEASED BONDS

On November 1, 2016, the District issued \$1,385,000 in general obligation refunding bonds with interest rates ranging from 2.00% to 3.00% to advance refund \$1,320,000 of outstanding 2009 Series bonds with interest rates ranging from 3.75% to 4.45%. The net proceeds of \$1,352,644 (after payments of \$17,000 in issuance costs, \$12,465 for underwriter's discount, and \$2,891 rounding adjustment) plus an additional \$97,317 of reoffering premiums were used to purchase U.S. Government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments of the 2009 Series bonds. As a result, the refunded portion of the 2009 Series bonds are considered to be defeased and the liability for those bonds has been removed from the long-term debt footnote.

The District advance refunded the callable portion of the 2009 Series bonds to reduce its total debt service payments over the next thirteen years by \$84,644 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$75,353.

F. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	Bilingual fund	\$ 6,844	K.S.A. 72-5167
General fund	Food service fund	60,000	K.S.A. 72-5167
General fund	Special education fund	100,576	K.S.A. 72-5167
General fund	Career and postsecondary education fund	9,822	K.S.A. 72-5167
General fund	At-risk (4-year-old) fund	2,900	K.S.A. 72-5167
General fund	At-risk (K-12) fund	<u>147,528</u>	K.S.A. 72-5167
Total general fund		<u>327,670</u>	
Supplemental general fund	Bilingual fund	4,156	K.S.A. 72-5143
Supplemental general fund	Special education fund	18,911	K.S.A. 72-5143
Supplemental general fund	At-risk (K-12) fund	<u>52,472</u>	K.S.A. 72-5143
Total supplemental general fund		<u>75,539</u>	
Total operating transfers		<u>\$ 403,209</u>	

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post-employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for insurance premiums, other medical costs, and childcare costs. The plan is administered by an independent company. The District withholds the amounts from the employee's paycheck and remits the withholdings to the plan administrator.

Death and disability other post-employment benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2019.

Compensated absences. The District's policy grants administrative employees compensated absences based on each individual contract. Non-certified personnel receive one day of leave per month worked. Unused leave will be paid at a rate of \$100 per day. There will be no carryover days.

All teachers receive ten days of personal leave annually. Teachers not employed for the entire year will have their leave prorated. Unused leave may be sold back to the District for \$100 per day or may be carried over as sick days. Personal days must be used prior to accessing sick leave. Sick days will be allowed to accumulate up to 60 days. Sick leave may be used for absences of the teachers own illness, or immediate family. Other sick leave may be requested from the Superintendent. Days in excess of 60 will be paid out at a rate of \$25 per day in the last payroll cycle of the school year. Upon retirement, disability, or death, the employee will be paid for unused sick days at a rate of \$25 per day.

H. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org, by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603), or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year. The first-year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$120,068 for the year ended June 30, 2019.

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$1,792,915. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2018. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

I. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain coverage for commercial property, inland marine, general liability, commercial auto, crime, school leaders' errors and omissions, and umbrella insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Educational Risk Management Pool, LLC (KERMP), a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to KERMP for its property, inland marine, general liability, automobile, crime, school leaders' errors and omissions, and umbrella insurance coverage. The agreement to participate provides that the KERMP will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP management. There have been no significant reductions in coverage from the prior year.

The District continues to carry commercial insurance for workers compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

J. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2019.

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 8, 2020, the date on which the financial statement was available to be used. Management's evaluation concluded that the following subsequent event is required to be recognized or disclosed in this financial statement:

At the November 12, 2019 Board of Education meeting, the Board accepted the resignation of the Superintendent effective June 30, 2020 that included an agreed upon settlement.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 1,485,656	\$ (43,399)	\$ 1,442,257	\$ 1,442,257	\$ -
Supplemental general	519,526	-	519,526	519,526	-
Special purpose funds:					
At-risk (4-year-old)	21,260	-	21,260	21,230	30
Driver training	10,456	-	10,456	-	10,456
At-risk (K-12)	193,491	-	193,491	179,095	14,396
Bilingual	11,662	-	11,662	11,662	-
Capital outlay	-	-	-	184,816	(184,816)
Special education	154,594	-	154,594	127,435	27,159
Food service	90,040	-	90,040	155,790	(65,750)
Career and postsecondary education	8,747	-	8,747	8,708	39
KPERS special retirement contributions	196,862	-	196,862	120,068	76,794
Recreation commission	34,000	-	34,000	34,000	-
Bond and interest fund:					
Bond and interest	131,890	-	131,890	130,890	1,000
	<u>2,858,184</u>	<u>(43,399)</u>	<u>2,814,785</u>	<u>2,935,477</u>	<u>(120,692)</u>
Related municipal entity:					
Fowler Recreation Commission:					
General	50,000	-	50,000	27,254	22,746
	<u>\$ 2,908,184</u>	<u>\$ (43,399)</u>	<u>\$ 2,864,785</u>	<u>\$ 2,962,731</u>	<u>\$ (97,946)</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State sources:				
State aid	\$ 1,276,378	\$ 1,351,920	\$ 1,372,547	\$ (20,627)
Special education aid	114,344	89,617	111,732	(22,115)
Mineral production tax	1,108	1,328	-	1,328
Extraordinary need state aid	101,946	-	-	-
Interest	55	-	-	-
Total receipts	<u>1,493,831</u>	<u>1,442,865</u>	<u>\$ 1,484,279</u>	<u>\$ (41,414)</u>
Expenditures:				
Instruction	654,754	603,733	\$ 738,039	\$ 134,306
Student support services	73,693	4,459	80,010	75,551
General administration	188,399	208,329	172,400	(35,929)
School administration	152,515	153,989	101,200	(52,789)
Central services	-	45	-	(45)
Operations and maintenance	104,610	134,056	118,710	(15,346)
Student transportation services:				
Vehicle operating services	14,764	9,910	17,580	7,670
Supervision	126	-	125	125
Vehicle and maintenance services	-	66	-	(66)
Other support services	-	-	3,000	3,000
Operating transfers	304,970	327,670	254,592	(73,078)
Adjustment to comply with legal maximum budget	-	-	(43,399)	(43,399)
Total expenditures	<u>1,493,831</u>	<u>1,442,257</u>	<u>\$ 1,442,257</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	608		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 608</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

SUPPLEMENTAL GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 493,973	\$ 471,936	\$ 461,599	\$ 10,337
Delinquent	3,461	6,427	4,910	1,517
Motor vehicle	26,183	26,256	30,608	(4,352)
Recreational vehicle	608	378	488	(110)
State aid	41,494	19,846	19,846	-
Total receipts	<u>565,719</u>	<u>524,843</u>	<u>\$ 517,451</u>	<u>\$ 7,392</u>
Expenditures:				
Instruction	126,725	166,392	\$ 172,906	\$ 6,514
Student support services	10,698	8,576	13,000	4,424
Instructional support staff	232	76	-	(76)
General administration	53,631	46,687	62,500	15,813
School administration	14,890	10,808	14,925	4,117
Operations and maintenance	178,026	170,932	178,600	7,668
Student transportation services:				
Vehicle operating services	15,133	27,636	36,501	8,865
Supervision	1,232	649	-	(649)
Vehicle and maintenance services	14,725	12,231	-	(12,231)
Operating transfers	109,420	75,539	41,094	(34,445)
Total expenditures	<u>524,712</u>	<u>519,526</u>	<u>\$ 519,526</u>	<u>\$ -</u>
Receipts over (under) expenditures	41,007	5,317		
Unencumbered cash, beginning of year	377	42,017		
Prior year canceled encumbrances	<u>633</u>	<u>765</u>		
Unencumbered cash, end of year	<u>\$ 42,017</u>	<u>\$ 48,099</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

AT-RISK (4-YEAR-OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ -	\$ 20,000	\$ -	\$ 20,000
Transfer from general	14,000	2,900	-	2,900
Total receipts	14,000	22,900	<u>\$ -</u>	<u>\$ 22,900</u>
Expenditures:				
Instruction	16,221	21,230	<u>\$ 21,260</u>	<u>\$ 30</u>
Receipts over (under) expenditures	(2,221)	1,670		
Unencumbered cash, beginning of year	<u>13,353</u>	<u>11,132</u>		
Unencumbered cash, end of year	<u>\$ 11,132</u>	<u>\$ 12,802</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		Variance favorable (unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 768	\$ -	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Instruction	<u>-</u>	<u>-</u>	<u>\$ 10,456</u>	<u>\$ 10,456</u>
Receipts over (under) expenditures	768	-		
Unencumbered cash, beginning of year	<u>9,688</u>	<u>10,456</u>		
Unencumbered cash, end of year	<u>\$ 10,456</u>	<u>\$ 10,456</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

AT-RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 62,000	\$ 147,528	\$ 132,447	\$ 15,081
Transfer from supplemental general	<u>48,000</u>	<u>52,472</u>	<u>40,471</u>	<u>12,001</u>
Total receipts	110,000	200,000	<u>\$ 172,918</u>	<u>\$ 27,082</u>
Expenditures:				
Instruction	<u>134,140</u>	<u>179,095</u>	<u>\$ 193,491</u>	<u>\$ 14,396</u>
Receipts over (under) expenditures	(24,140)	20,905		
Unencumbered cash, beginning of year	<u>44,727</u>	<u>20,587</u>		
Unencumbered cash, end of year	<u>\$ 20,587</u>	<u>\$ 41,492</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

BILINGUAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 7,000	\$ 6,844	\$ 1,666	\$ 5,178
Transfer from supplemental general	-	4,156	4,104	52
Total receipts	7,000	11,000	<u>\$ 5,770</u>	<u>\$ 5,230</u>
Expenditures:				
Instruction	7,524	11,662	<u>\$ 11,662</u>	<u>\$ -</u>
Receipts over (under) expenditures	(524)	(662)		
Unencumbered cash, beginning of year	<u>6,834</u>	<u>6,310</u>		
Unencumbered cash, end of year	<u>\$ 6,310</u>	<u>\$ 5,648</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 131,912	\$ 136,895	\$ 134,749	\$ 2,146
Delinquent	444	1,415	1,338	77
Motor vehicle	3,354	4,438	5,216	(778)
Recreational vehicle	78	63	84	(21)
Interest	2,498	4,067	-	4,067
Other	9,130	7,200	-	7,200
Total receipts	<u>147,416</u>	<u>154,078</u>	<u>\$ 141,387</u>	<u>\$ 12,691</u>
Expenditures:				
Instruction	4,550	18,373	\$ -	\$ (18,373)
Operations and maintenance	3,000	112,686	-	(112,686)
Facility acquisition and construction services	35,732	53,757	-	(53,757)
Total expenditures	<u>43,282</u>	<u>184,816</u>	<u>\$ -</u>	<u>\$ (184,816)</u>
Receipts over (under) expenditures	104,134	(30,738)		
Unencumbered cash, beginning of year	<u>409,719</u>	<u>513,853</u>		
Unencumbered cash, end of year	<u>\$ 513,853</u>	<u>\$ 483,115</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ 811	\$ -	\$ -	\$ -
Other	2,920	2,331	-	2,331
Transfer from general	156,293	100,576	111,732	(11,156)
Transfer from supplemental general	<u>20,000</u>	<u>18,911</u>	<u>-</u>	<u>18,911</u>
Total receipts	180,024	121,818	<u>\$ 111,732</u>	<u>\$ 10,086</u>
Expenditures:				
Instruction	<u>179,488</u>	<u>127,435</u>	<u>\$ 154,594</u>	<u>\$ 27,159</u>
Receipts over (under) expenditures	536	(5,617)		
Unencumbered cash, beginning of year	<u>42,326</u>	<u>42,862</u>		
Unencumbered cash, end of year	<u>\$ 42,862</u>	<u>\$ 37,245</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

FOOD SERVICE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Charges for services	\$ 35,133	\$ 35,084	\$ 1,051	\$ 34,033
Federal aid	61,707	63,415	49,718	13,697
State aid	797	730	649	81
Other	747	34	-	34
Transfer from general	44,845	60,000	-	60,000
Transfer from supplemental general	17,420	-	-	-
Total receipts	<u>160,649</u>	<u>159,263</u>	<u>\$ 51,418</u>	<u>\$ 107,845</u>
Expenditures:				
Operations and maintenance	153	495	\$ 160	\$ (335)
Food service operations	159,866	155,295	89,880	(65,415)
Total expenditures	<u>160,019</u>	<u>155,790</u>	<u>\$ 90,040</u>	<u>\$ (65,750)</u>
Receipts over (under) expenditures	630	3,473		
Unencumbered cash, beginning of year	<u>37,169</u>	<u>37,799</u>		
Unencumbered cash, end of year	<u>\$ 37,799</u>	<u>\$ 41,272</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

CAREER AND POSTSECONDARY EDUCATION

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ 400	\$ 2,825	\$ -	\$ 2,825
Transfer from general	20,832	9,822	8,747	1,075
Total receipts	21,232	12,647	<u>\$ 8,747</u>	<u>\$ 3,900</u>
Expenditures:				
Instruction	21,232	8,708	<u>\$ 8,747</u>	<u>\$ 39</u>
Receipts over (under) expenditures	-	3,939		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 3,939</u>		

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	2018	2019		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ 140,917	\$ 120,068	\$ 196,862	\$ (76,794)
Expenditures:				
Instruction	88,699	77,225	\$ 144,608	\$ 67,383
Student support services	6,044	48	3,911	3,863
General administration	15,874	16,199	6,985	(9,214)
School administration	13,842	11,894	13,970	2,076
Operations and maintenance	9,671	9,419	13,970	4,551
Student transportation services	1,537	891	6,432	5,541
Food service operations	5,250	4,392	6,986	2,594
Total expenditures	140,917	120,068	\$ 196,862	\$ 76,794
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		Variance favorable (unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem	\$ 33,557	\$ 34,388	\$ 33,677	\$ 711
Delinquent	221	435	335	100
Motor vehicle	1,669	1,690	1,975	(285)
Recreational vehicle	38	24	31	(7)
Other	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	35,560	36,537	<u>\$ 36,018</u>	<u>\$ 519</u>
Expenditures:				
Community service operations	<u>32,500</u>	<u>34,000</u>	<u>\$ 34,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	3,060	2,537		
Unencumbered cash, beginning of year	<u>2,028</u>	<u>5,088</u>		
Unencumbered cash, end of year	<u>\$ 5,088</u>	<u>\$ 7,625</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2019

	21st century community learning	Gifts and grants	Title I
Receipts:			
Federal aid	\$ 70,161	\$ -	\$ 19,205
Other	-	13,381	-
Total receipts	70,161	13,381	19,205
Expenditures:			
Instruction	70,605	9,052	19,205
Receipts over (under) expenditures	(444)	4,329	-
Unencumbered cash, beginning of year	16,892	3,058	-
Unencumbered cash (deficit), end of year	\$ 16,448	\$ 7,387	\$ -

See Independent Auditor's Report.

<u>Title IIA teacher quality</u>	<u>Title IV safe & drug free</u>	<u>REAP</u>	<u>Contingency reserve</u>	<u>Textbook and student material</u>	<u>Total</u>
\$ 3,588	\$ 10,864	\$ 24,773	\$ -	\$ -	\$ 128,591
-	-	-	-	2,933	16,314
3,588	10,864	24,773	-	2,933	144,905
3,588	10,864	29,823	-	1,978	145,115
-	-	(5,050)	-	955	(210)
-	-	-	209,519	710	230,179
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,050)</u>	<u>\$ 209,519</u>	<u>\$ 1,665</u>	<u>\$ 229,969</u>

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

BOND AND INTEREST FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem	\$ 148,338	\$ 152,256	\$ 149,134	\$ 3,122
Delinquent	976	1,910	1,478	432
Motor vehicle	7,384	7,393	8,627	(1,234)
Recreational vehicle	173	107	138	(31)
Total receipts	<u>156,871</u>	<u>161,666</u>	<u>\$ 159,377</u>	<u>\$ 2,289</u>
Expenditures:				
Debt service:				
Principal	100,000	85,000	\$ 85,000	\$ -
Interest	49,390	45,890	45,890	-
Bond fees	-	-	1,000	1,000
Total expenditures	<u>149,390</u>	<u>130,890</u>	<u>\$ 131,890</u>	<u>\$ 1,000</u>
Receipts over (under) expenditures	7,481	30,776		
Unencumbered cash, beginning of year	<u>173,296</u>	<u>180,777</u>		
Unencumbered cash, end of year	<u>\$ 180,777</u>	<u>\$ 211,553</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2019

Fund	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
Gate receipts:						
Activities	\$ (15,940)	\$ 14,160	\$ 776	\$ (2,556)	\$ -	\$ (2,556)
Substate tournament	891	-	891	-	-	-
Black and Gold tournament	4,039	600	4,639	-	-	-
Gates	1,403	4,048	5,451	-	-	-
Total gate receipts	<u>(9,607)</u>	<u>18,808</u>	<u>11,757</u>	<u>(2,556)</u>	<u>-</u>	<u>(2,556)</u>
High school projects:						
Meals - students	141	-	-	141	-	141
Concessions	-	12,945	12,945	-	-	-
Jackets	168	-	168	-	-	-
College classes	-	55	55	-	-	-
Yearbook	-	880	880	-	-	-
JH technology	1,727	-	1,727	-	-	-
Math and Science	564	-	564	-	-	-
Miscellaneous	356	1,012	309	1,059	-	1,059
Field trips and student paid activities	654	-	654	-	-	-
Math contest	465	-	465	-	-	-
Total high school projects	<u>4,075</u>	<u>14,892</u>	<u>17,767</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Grade school projects:						
Meals	2,019	15,201	17,220	-	-	-
MS/HS meals	573	40	613	-	-	-
Adults and guests	-	183	182	1	-	1
Adults - summer food program	50	50	100	-	-	-
Pre K snacks	113	624	737	-	-	-
Pre K out of district tuition	500	300	800	-	-	-
Pre-school tuition	-	600	600	-	-	-
Device insurance	10	1,405	1,570	(155)	-	(155)
Miscellaneous	796	15	-	811	-	811
Jump for heart	19	586	586	19	-	19
Lifetouch commission	1,853	-	-	1,853	-	1,853
Field trip	5,092	1,280	655	5,717	-	5,717
Donations/school supplies	128	-	-	128	-	128
Returned check fees	2	-	-	2	-	2
GS library books	2,476	1,898	1,831	2,543	-	2,543
Vending sales	81	-	-	81	-	81
Music sales	60	-	-	60	-	60
Total grade school projects	<u>13,772</u>	<u>22,182</u>	<u>24,894</u>	<u>11,060</u>	<u>-</u>	<u>11,060</u>
Total school projects	<u>17,847</u>	<u>37,074</u>	<u>42,661</u>	<u>12,260</u>	<u>-</u>	<u>12,260</u>
Total district activity funds	<u>\$ 8,240</u>	<u>\$ 55,882</u>	<u>\$ 54,418</u>	<u>\$ 9,704</u>	<u>\$ -</u>	<u>\$ 9,704</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2019

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student organization funds:				
Football-HS	\$ 269	\$ 1,156	\$ 1,425	\$ -
Volleyball-HS	370	441	811	-
Volleyball-JH	59	1,333	1,392	-
Basketball-HS	1,136	1,462	2,598	-
Basketball-JH	52	998	1,050	-
Track-HS	6	382	388	-
Track-JH	-	490	490	-
Cross country track	-	176	176	-
Softball	-	180	180	-
Quiz bowl-JH	153	177	330	-
Speech/drama/Junior/senior play	749	-	749	-
STUCO	761	200	531	430
JH stuco	55	87	93	49
PBL	-	550	500	50
HS cheerleading	1,842	4,198	5,165	875
JH cheerleading	42	1,304	1,267	79
Trap shooting	3,324	4,128	1,939	5,513
Fellowship of Christian Athletes	604	-	604	-
FFA	1,893	5,861	4,247	3,507
FBLA	1,542	-	-	1,542
Class of 15	88	-	88	-
Class of 16	103	-	103	-
Class of 17	407	-	407	-
Class of 18	592	-	592	-
Class of 19	714	982	1,696	-
Music-vocal	2,583	-	2,583	-
Music-band-HS	99	84	183	-
	<u>17,443</u>	<u>24,189</u>	<u>29,587</u>	<u>12,045</u>
Total student organization funds				
Clearing funds:				
Sales tax-HS	71	1,634	4,687	(2,982)
Sales tax-GS	16	2,969	2,969	16
	<u>87</u>	<u>4,603</u>	<u>7,656</u>	<u>(2,966)</u>
Total clearing funds				
Total agency funds	<u>\$ 17,530</u>	<u>\$ 28,792</u>	<u>\$ 37,243</u>	<u>\$ 9,079</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225
FOWLER, KANSAS**

**FOWLER RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2019
(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

	<u>2018</u>	<u>2019</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Appropriation from Unified School District No. 225	\$ 32,500	\$ 34,000	\$ 36,000	\$ (2,000)
Miscellaneous	3,202	800	-	800
Total receipts	<u>35,702</u>	<u>34,800</u>	<u>\$ 36,000</u>	<u>\$ (1,200)</u>
Expenditures:				
Salaries	4,509	4,695	\$ 10,000	\$ 5,305
Community service operations	26,075	22,559	40,000	17,441
Total expenditures	<u>30,584</u>	<u>27,254</u>	<u>\$ 50,000</u>	<u>\$ 22,746</u>
Receipts over (under) expenditures	5,118	7,546		
Unencumbered cash, beginning of year	<u>27,370</u>	<u>32,488</u>		
Unencumbered cash, end of year	<u>\$ 32,488</u>	<u>\$ 40,034</u>		

See Independent Auditor's Report.